### AVISTA UTILITIES

## GAS ADJUSTMENT SUMMARY

# TWELVE MONTHS ENDED DECEMBER 31, 1998 (000'S OF DOLLARS)

UNCOLLECTIBLE EXPENSE

GAS

Line	(11111111111111111111111111111111111111				
No.	Description		System	Washington	Idaho
	REVENUES				
1	Total General Business				
2	Total Transportation				
3	Other Revenues				
4	Total Gas Revenues		0	0	0
	EXPENSES				
5	Exploration & Development Production				
6	City Gate Purchases				
7	Purchased Gas Expense				
8	Net Nat. Gas Storage Trans				
9	Total Production	_	0	0	0
	Underground Storage				
10	Operating Expenses				
11	Depreciation				
12	Taxes				
13	Total Underground Storage	_	0	0	0
	Distribution				
14	Operating Expenses				
15	Depreciation				
16	Taxes		1		1
17	Total Distribution	_	1	0	1
18	Customer Accounting		(325)	(226)	(99)
19	Customer Service & Information		(323)	(220)	(99)
20	Sales				
20	Administrative and General				
21					
22	Operating Expenses				
23	Depreciation Taxes				
24	Total Admin. & General	_	0	0	0
25		_		(226)	
23	Total Gas Expense	_	(324)	(220)	(98)
26	Operating Income before FIT		324	226	98
	Federal Income Taxes				
27	Current Accrual	35.0%	113	79	34
28	Amort ITC				
29	Deferred FIT				
30	NET OPERATING INCOME	<del>-</del>	\$211	\$147	\$64
	RATE BASE				
	PLANT IN SERVICE				
31	Underground Storage				
32	Distribution Plant				
33	General Plant				
34	Total Plant in Service		0	0	0
	ACCUMULATED DEPRECIATION				
35	Underground Storage				
36	Distribution Plant				
37	General Plant				
38	Total Accum. Depreciation	_	0	0	0
39	DEFERRED TAXES		U	O	Ü
40	GAS INVENTORY				
41	GAIN ON SALE OF BUILDING				
42	TOTAL RATE BASE	_	\$0	\$0	\$0
12		=	Ψ	ΨΟ	Ψ0

### AVISTA UTILITIES CALCULATION OF IDAHO STATE INCOME TAX TWELVE MONTHS ENDED DECEMBER 31, 1998 (000's OF DOLLARS)

### UNCOLLECTIBLE EXPENSE GAS

REVENUES	Line		
Total General Business	No.	Description	Idaho
2         Total Transportation         0           3         Other Revenues         0           4         Total Gas Revenues         0           EXPENSES         Exploration & Development Production         0           6         City Gate Purchases 0         0           7         Purchased Gas Expense 0         0           8         Net Nat. Gas Storage Trans 0         0           9         Total Production 0         0           Underground Storage 0         0           10         Operating Expenses 0         0           11         Depreciation 0         0           12         Taxes 0         0           13         Total Underground Storage 0         0           Distribution 0         0         0           14         Operating Expenses 0         0           15         Depreciation 0         0           16         Taxes 0         0           17         Total Distribution 0         0           18         Customer Accounting 0         0           19         Customer Service & Information 0         0           20         Sales 0         0           Administrative and General 0         0		REVENUES	
3 Other Revenues         0           4 Total Gas Revenues         0           EXPENSES         5           5 Exploration & Development Production         0           6 City Gate Purchases         0           7 Purchased Gas Expense         0           8 Net Nat. Gas Storage Trans         0           9 Total Production         0           10 Operating Expenses         0           10 Depreciation         0           11 Depreciation         0           12 Taxes         0           13 Total Underground Storage         0           15 Depreciation         0           16 Taxes         0           17 Total Distribution         0           18 Customer Accounting         9           19 Customer Accounting         9           10 Sales         0           10 Sales         0           20 Sales         0           21 Operating Expenses         0           22 Depreciation         0           23 Taxes         0           24 Total Admin. & General         0           25 Total Gas Expense         99           26 Operating Income before FIT and SIT         99	1	Total General Business	\$0
A	2	Total Transportation	0
EXPENSES	3	Other Revenues	0
EXPENSES			
5         Exploration & Development Production         0           6         City Gate Purchases         0           7         Purchased Gas Expense         0           8         Net Nat. Gas Storage Trans         0           9         Total Production         0           Underground Storage         0           10         Operating Expenses         0           11         Depreciation         0           12         Taxes         0           12         Taxes         0           13         Total Underground Storage         0           Distribution         0         0           14         Operating Expenses         0           15         Depreciation         0           16         Taxes         0           17         Total Distribution         0           18         Customer Accounting         90           19         Customer Service & Information         0           20         Sales         0           Administrative and General         0           21         Operating Expenses         0           22         Depreciation         0           23 <td< td=""><td>4</td><td>Total Gas Revenues</td><td>0</td></td<>	4	Total Gas Revenues	0
5         Exploration & Development Production         0           6         City Gate Purchases         0           7         Purchased Gas Expense         0           8         Net Nat. Gas Storage Trans         0           9         Total Production         0           Underground Storage         0           10         Operating Expenses         0           11         Depreciation         0           12         Taxes         0           12         Taxes         0           13         Total Underground Storage         0           Distribution         0         0           14         Operating Expenses         0           15         Depreciation         0           16         Taxes         0           17         Total Distribution         0           18         Customer Accounting         90           19         Customer Service & Information         0           20         Sales         0           Administrative and General         0           21         Operating Expenses         0           22         Depreciation         0           23 <td< td=""><td></td><td>EVDENCEC</td><td></td></td<>		EVDENCEC	
Production         0           6 City Gate Purchases         0           7 Purchased Gas Expense         0           8 Net Nat. Gas Storage Trans         0           9 Total Production         0           Underground Storage         0           10 Operating Expenses         0           11 Depreciation         0           12 Taxes         0           13 Total Underground Storage         0           Distribution         0           14 Operating Expenses         0           15 Depreciation         0           16 Taxes         0           17 Total Distribution         0           18 Customer Accounting         (99)           19 Customer Service & Information         0           20 Sales         0           Administrative and General         0           21 Operating Expenses         0           22 Depreciation         0           23 Taxes         0           24 Total Admin. & General         0           25 Total Gas Expense         (99)           26 Operating Income before FIT and SIT         99           27 Idaho State Income Tax	5		0
6         City Gate Purchases         0           7         Purchased Gas Expense         0           8         Net Nat. Gas Storage Trans         0           9         Total Production         0           Underground Storage         0           10         Operating Expenses         0           11         Depreciation         0           12         Taxes         0           13         Total Underground Storage         0           Distribution         0         0           14         Operating Expenses         0           15         Depreciation         0           16         Taxes         0           17         Total Distribution         0           18         Customer Accounting         (99)           19         Customer Service & Information         0           20         Sales         0           Administrative and General         0           21         Operating Expenses         0           22         Depreciation         0           23         Taxes         0           24         Total Admin. & General         0           25         Total Gas	5		U
7         Purchased Gas Expense         0           8         Net Nat. Gas Storage Trans         0           9         Total Production         0           Underground Storage         0           10         Operating Expenses         0           11         Depreciation         0           12         Taxes         0           13         Total Underground Storage         0           15         Depreciation         0           16         Taxes         0           17         Total Distribution         0           18         Customer Accounting         (99)           19         Customer Accounting         (99)           19         Customer Service & Information         0           20         Sales         0           21         Operating Expenses         0           22         Depreciation         0           23         Taxes         0           24         Total Admin. & General         0           25         Total Gas Expense         (99)           26         Operating Income before FIT and SIT         99           27         Idaho State Income Tax	6		0
8         Net Nat. Gas Storage Trans         0           9         Total Production         0           10         Operating Expenses         0           11         Depreciation         0           12         Taxes         0           13         Total Underground Storage         0           Distribution         0           14         Operating Expenses         0           15         Depreciation         0           16         Taxes         0           17         Total Distribution         0           18         Customer Accounting         99           19         Customer Accounting         0           20         Sales         0           Administrative and General         0           21         Operating Expenses         0           22         Depreciation         0           23         Taxes         0           24         Total Admin. & General         0           25         Total Gas Expense         (99)           26         Operating Income before FIT and SIT         99           27         Idaho State Income Tax			
9         Total Production         0           Underground Storage         0           10         Operating Expenses         0           11         Depreciation         0           12         Taxes         0           13         Total Underground Storage         0           Distribution         0         0           14         Operating Expenses         0           15         Depreciation         0           16         Taxes         0           17         Total Distribution         0           18         Customer Accounting         (99)           19         Customer Accounting         (99)           20         Sales         0           Administrative and General         0           21         Operating Expenses         0           22         Depreciation         0           23         Taxes         0           24         Total Admin. & General         0           25         Total Gas Expense         (99)           26         Operating Income before FIT and SIT         99           27         Idaho State Income Tax			
Underground Storage         0           10 Operating Expenses         0           11 Depreciation         0           12 Taxes         0           13 Total Underground Storage         0           Distribution         0           14 Operating Expenses         0           15 Depreciation         0           16 Taxes         0           17 Total Distribution         0           18 Customer Accounting         (99)           19 Customer Service & Information         0           20 Sales         0           Administrative and General         0           21 Operating Expenses         0           22 Depreciation         0           23 Taxes         0           24 Total Admin. & General         0           25 Total Gas Expense         (99)           26 Operating Income before FIT and SIT         99           27 Idaho State Income Tax			
110       Operating Expenses       0         111       Depreciation       0         122       Taxes       0         13       Total Underground Storage       0         Distribution       14       Operating Expenses       0         15       Depreciation       0         16       Taxes       17       Total Distribution       0         18       Customer Accounting       (99)         19       Customer Service & Information       0         20       Sales       0         Administrative and General       0         21       Operating Expenses       0         22       Depreciation       0         23       Taxes       0         24       Total Admin. & General       0         25       Total Gas Expense       (99)         26       Operating Income before FIT and SIT       99         27       Idaho State Income Tax	,		U
11       Depreciation       0         12       Taxes       0         13       Total Underground Storage       0         Distribution       14       Operating Expenses       0         15       Depreciation       0         16       Taxes       17       Total Distribution       0         18       Customer Accounting       (99)         19       Customer Service & Information       0         20       Sales       0         Administrative and General       0         21       Operating Expenses       0         22       Depreciation       0         23       Taxes       0         24       Total Admin. & General       0         25       Total Gas Expense       (99)         26       Operating Income before FIT and SIT       99         27       Idaho State Income Tax	10		0
12 Taxes       0         13 Total Underground Storage       0         Distribution       0         14 Operating Expenses       0         15 Depreciation       0         16 Taxes			
13       Total Underground Storage       0         Distribution       0         14       Operating Expenses       0         15       Depreciation       0         16       Taxes         17       Total Distribution       0         18       Customer Accounting       (99)         19       Customer Service & Information       0         20       Sales       0         Administrative and General       0         21       Operating Expenses       0         22       Depreciation       0         23       Taxes       0         24       Total Admin. & General       0         25       Total Gas Expense       (99)         26       Operating Income before FIT and SIT       99         27       Idaho State Income Tax			
Distribution			
14 Operating Expenses       0         15 Depreciation       0         16 Taxes	13		Ü
15       Depreciation       0         16       Taxes	14		0
16       Taxes         17       Total Distribution       0         18       Customer Accounting       (99)         19       Customer Service & Information       0         20       Sales       0         Administrative and General       0         21       Operating Expenses       0         22       Depreciation       0         23       Taxes       0         24       Total Admin. & General       0         25       Total Gas Expense       (99)         26       Operating Income before FIT and SIT       99         27       Idaho State Income Tax			
17       Total Distribution       0         18       Customer Accounting       (99)         19       Customer Service & Information       0         20       Sales       0         Administrative and General       0         21       Operating Expenses       0         22       Depreciation       0         23       Taxes       0         24       Total Admin. & General       0         25       Total Gas Expense       (99)         26       Operating Income before FIT and SIT       99         27       Idaho State Income Tax			v
18 Customer Accounting       (99)         19 Customer Service & Information       0         20 Sales       0         Administrative and General       0         21 Operating Expenses       0         22 Depreciation       0         23 Taxes       0         24 Total Admin. & General       0         25 Total Gas Expense       (99)         26 Operating Income before FIT and SIT       99         27 Idaho State Income Tax			
19 Customer Service & Information       0         20 Sales       0         Administrative and General       0         21 Operating Expenses       0         22 Depreciation       0         23 Taxes       0         24 Total Admin. & General       0         25 Total Gas Expense       (99)         26 Operating Income before FIT and SIT       99         27 Idaho State Income Tax			
20       Sales       0         Administrative and General       0         21       Operating Expenses       0         22       Depreciation       0         23       Taxes       0         24       Total Admin. & General       0         25       Total Gas Expense       (99)         26       Operating Income before FIT and SIT       99         27       Idaho State Income Tax	19		
Administrative and General         21 Operating Expenses       0         22 Depreciation       0         23 Taxes       0         24 Total Admin. & General       0         25 Total Gas Expense       (99)         26 Operating Income before FIT and SIT       99         27 Idaho State Income Tax	20		
21 Operating Expenses       0         22 Depreciation       0         23 Taxes       0         24 Total Admin. & General       0         25 Total Gas Expense       (99)         26 Operating Income before FIT and SIT       99         27 Idaho State Income Tax			v
22 Depreciation       0         23 Taxes       0         24 Total Admin. & General       0         25 Total Gas Expense       (99)         26 Operating Income before FIT and SIT       99         27 Idaho State Income Tax	21		0
23       Taxes       0         24       Total Admin. & General       0         25       Total Gas Expense       (99)         26       Operating Income before FIT and SIT       99         27       Idaho State Income Tax	22		0
25 Total Gas Expense (99) 26 Operating Income before FIT and SIT 99 27 Idaho State Income Tax	23		0
26 Operating Income before FIT and SIT  99  Idaho State Income Tax	24	Total Admin. & General	0
26 Operating Income before FIT and SIT  99  Idaho State Income Tax			
27 Idaho State Income Tax	25	Total Gas Expense	(99)
	26	Operating Income before FIT and SIT	99
Adjusted Rate of 0.014685 \$1	27	Idaho State Income Tax	
		Adjusted Rate of 0.014685	\$1